GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:6379
ANSWERED ON:08.05.2002
PROTECTION TO SMALL SCALE INDUSTRIES UNDER NEW EXIM POLICY
JASWANT SINGH YADAV

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the steps proposed to take by the Government for the protection of Small Scale and Cottage Industries under the current Export Import Policy;

(b) if so, the details thereof; and

(c) if not, the reasons therefore alongwith the reaction of the Government thereto?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PENSIONS AND PENSIONERS` WELFARE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SMT. VASUNDHARA RAJE)

(a) to (c): The Government have initiated several steps under the New Exim Policy for helping the small scale and cottage industries to boost exports. Under the Market Access Initiative Scheme for providing access to funds for export promotion activities, an amount of Rs. 5 crore has been earmarked for promoting cottage sector exports coming under the Khadi & Village Industries Commission. Besides, these units would not be required to maintain average export obligation under the Export Promotion Capital Goods Scheme (EPCG) and would be entitled to the benefit of Export House Certificate on achieving a lower export performance of Rs. 5 crore as against 15 crore for others. The units in handicraft sector shall be entitled to duty free imports of an enlarged list of items as embellishments upto 3% of FOB value of their exports. The Small Scale units in the notified `Towns of Export Excellence` would be provided facilities of EPCG for common service providers, access to Market Access Initiative funds by recognized associations of these towns, priority assistance under the Assistance to States for Infrastructural Development for Exports and a relaxation in the export performance criteria for Export House Status.